

# **DAILY CASH BALANCING POLICIES AND PROCEDURES**

The court should implement the following policies and procedures for the daily cash balancing:

## **Cashier Clerk**

### *Policy*

All checks are restrictively endorsed immediately upon receipt. Each cashier who has receipted payments during the day must complete a Cash Count Form that serves as the cashier clerk's accounting for the funds turned in for deposit. The form must be completed with an ink pen.\* Coin and currency receipted for revenue and trust payments may be counted separately or combined on the Cash Count Form, per court preference. Separate calculator tapes should be prepared for revenue checks and trust checks. Cash counts are to be performed out of public view. Court cash funds must not be used to cash personal checks. No personnel shall be exempt from this policy.

### *Procedures*

- a. Count each type of coin (pennies, nickels, dimes, etc). Write the quantity and total amount of each type of currency in the spaces provided on the form.
- b. Count each type of currency (\$1's, \$5's, etc.). Write the quantity and total amount of each type of currency in the "Sub Total" space provided on the form.
- c. Add the subtotals for coins and currency. Write the amount in the "Total Cash" space provided on the form.
- d. Separate the trust checks from the revenue checks. Run a calculator tape listing all revenue checks using the calculator. Enter the check number located in the upper right corner of the check followed by pressing the number "#" key. Then, enter the amount of the check followed by pressing the addition "+" key. Repeat these two steps until all checks within the batch are itemized on the calculator tape. Press the total "\*" key and write the total on the Cash Count Form. Repeat the process for all trust checks receipted. Write the words

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\* CORIS users must complete the Cash Count Form on the computer. The CORIS Cash Count Form provides an area to enter the check number and check amount in lieu of the calculator tape attached to the manually prepared Cash Count Form.

"revenue checks" or "trust checks" on the top of tape. Attach the calculator tapes to the Cash Count Form.

e. Enter the total for all checks in the space provided (depending on court preference, trust checks may be listed separately).

f. Write the amount of the clerk's assigned cash change fund in the space provided.

g. Add the amounts shown for "Total Cash" and "Total Checks" and *subtract* the amount shown on the "Less Change Fund" line to arrive at the "Grand Total."

h. Attach to the form a calculator tape showing the total for all checks received. Calculator tapes are to include both the check number(s) and check amount(s).

i. Sign and date the form. Request that an authorized clerk, preferably the deposit clerk, verify the cash count and sign the form as verifier. (Procedures described below.)

j. Upon verification of the cash count, the cashier clerk is to give their completed Cash Count Form (original) to the accounting clerk, with the calculator tape(s) attached. (As noted above, the tape includes the check amount and check no.) A copy of the form can be made for review by the deposit clerk.

k. Any error corrections to the daily Cash Count forms are to be made by drawing a single line through the incorrect entry and writing the correct amount next to the error. Both the cashier clerk and the adjuster are to initialize any correction. Correction fluid is not to be used.

## **Verifier/Deposit Clerk**

### *Policy*

Coin, currency, and checks, recorded on the Cash Count Form by the cashier clerk are to be verified by a second authorized employee. It is preferable for the verifier to take custody of the funds and also prepare the deposit so as to minimize the number of times that the funds change custody. The verification count is to be performed in the cashier clerk's presence. The verifier signs the form evidencing that the figures written on the form are accurate. If only one clerk is in the office and the verification cannot be performed, the clerk is to write "sole clerk" on the Cash Count form.

## *Procedures*

- a. In the cashier clerk's presence, count all coin and currency and verify that the total check amount on the Cash Count Form is correct.
- b. Recalculate the figures on the Cash Count Form as a final verification of the totals.
- c. Any error corrections to the daily Cash Count forms are to be made by drawing a single line through the incorrect entry and writing the correct amount next to the error. Both the cashier clerk and the verifier are to initialize any correction. Correction fluid is not to be used.
- d. Upon completion of the verification count, the verifier signs the form in the space provided.

## **Submitting Funds to be Secured Until Deposit Preparation**

### *Policy*

The funds are to be secured and access restricted to the clerk with custody of the funds until the deposit is delivered to the bank.

### *Procedure*

- a. Immediately upon completion of the verification count, the cashier clerk transfers custody of the funds to the verifier/deposit clerk, including the cash change fund.

If the verifier is not the deposit clerk, the verifier secures the funds and restricts access until custody of the funds is transferred to the deposit clerk.

- b. When the transfer of funds occurs a second cash count form is completed. The clerk transferring custody of the funds retains the original cash count form after verification and forwards it to the accounting clerk. A copy of the cash count form may remain with the funds for review by the deposit clerk.

## **Deposit Clerk – Deposit Preparation**

### *Policy*

The deposit clerk, independent of authorization and record keeping duties, is to prepare the deposit slip(s) and deposit all revenue and trust funds receipted every day when practicable, but not less than every three days per UCJA Rule 3-407(2) and UCA Section 51-4-1.

### *Procedures*

- a. Prepare the cash/check receipts for deposit. Prepare two calculator tapes of all checks to be deposited. (One stays with the accounting records, one goes to the bank.) Count currency, coins and checks and enter the amounts on the deposit slip(s). Verify the accuracy of the deposit slip by re-calculating the total.
- b. Obtain daily remittance report from the accounting clerk (details the allocation for the daily receipts to surcharge, fines, trust, etc.). Note: this detail allocation and reporting to the local government may be done on a monthly basis by some courts.
- c. Compare the total amount per the report to the total deposit per the deposit slip. The amounts should agree. Any discrepancies the deposit clerk may discover between the revenue and trust funds turned in for deposit and the revenue/trust receipts recorded on the daily remittance report are to be brought to the accounting clerk's attention.
- d. Deliver the deposit to the bank or local government treasurer (via armored car pick-up or law enforcement escort). Include the daily remittance report with the deposit if depositing directly with the local government treasurer (in courts that report the allocation on a daily basis).
- e. After the deposit is made, the deposit clerk compares the deposit records with the validated deposit slip. If the amounts agree, the deposit clerk then forwards the validated deposit slip to the accounting clerk. If the amounts do not agree, the deposit clerk reviews the deposit records and contacts the treasurer (or bank) to isolate the difference.

### **Accounting Clerk**

#### *Policy*

The accounting clerk, independent of cashiering and depositing duties, reconciles the cashier(s) Cash Count Form(s) to the daily accounting records (receipt register and payment register), verifying that the amounts and cash/check composition are accurate.

#### *Procedures*

- a. As noted above, the cashier clerk(s) forwards the original Cash Count Form(s) to the accounting clerk.
- b. If the checks are off, compare each check number and amount per the payment register to the check amount and no. shown per the deposit slip or calculator tape to isolate the problem. If the payment type has been receipted

incorrectly as cash or check, the accounting clerk informs the cashier clerk or supervisor.

c. If after the accounting clerk thoroughly examines the accounting reports, cash count forms, etc., discrepancies remain, the accounting clerk is to make adjusting entries to the daily accounting reports in order to balance. As noted above, any changes made to the Cash Count Form must be initialized by the cashier clerk and the adjuster. Changes are made by drawing a single line through the error and writing the correct number next to the error. The deposit clerk assigned custody of the funds to be deposited is not to adjust the corresponding deposit records.

d. After the reconciliation, the accounting clerk prepares the remittance report and forwards it to the deposit clerk for delivery to the local government treasurer with the daily deposit (in courts that report the allocation on a daily basis).

e. The deposit clerk returns the validated deposit slip(s) to the accounting clerk. The accounting clerk reconciles the validated deposit slip to the cash count form(s) and daily accounting records. The accounting clerk is not to handle the actual funds receipted.

f. Retain the accounting records according to the current Record Retention Schedule, CJA Appendix F.